

**DEPARTMENT OF CORRECTIONS**  
**P.A. 524 of 2002**

FULL-TIME EQUATED (FTE) POSITIONS/ FUNDING SOURCE	FY 2001-02 YEAR-TO-DATE	FY 2002-03 GOV'S REC.	FY 2002-03 YEAR-TO-DATE	CHANGES FROM FY 2001-02 YEAR-TO-DATE	
				AMOUNT	PERCENT
FTE Positions .....	19,390.5	18,827.9	18,827.9	(562.6)	(2.9)
<b>GROSS .....</b>	<b>1,687,837,800</b>	<b>1,713,462,400</b>	<b>1,705,870,600</b>	<b>18,032,800</b>	<b>1.1</b>
Less:					
Interdepartmental Grants Received .....	5,965,700	3,318,500	3,318,500	(2,647,200)	(44.4)
<b>ADJUSTED GROSS .....</b>	<b>1,681,872,100</b>	<b>1,710,143,900</b>	<b>1,702,552,100</b>	<b>20,680,000</b>	<b>1.2</b>
Less:					
Federal Funds .....	28,490,800	26,403,400	26,403,400	(2,087,400)	(7.3)
Local and Private .....	349,600	391,100	391,100	41,500	11.9
<b>TOTAL STATE SPENDING .....</b>	<b>1,653,031,700</b>	<b>1,683,349,400</b>	<b>1,675,757,600</b>	<b>22,725,900</b>	<b>1.4</b>
Less:					
Other State Restricted Funds .....	53,577,800	55,490,600	55,490,600	1,912,800	3.6
<b>GENERAL FUND/GENERAL PURPOSE ..</b>	<b>1,599,453,900</b>	<b>1,627,858,800</b>	<b>1,620,267,000</b>	<b>20,813,100</b>	<b>1.3</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>81,843,800</b>	<b>78,221,300</b>	<b>78,221,300</b>	<b>(3,622,500)</b>	<b>(4.4)</b>

**FY 2002-03  
Change from  
FY 2001-02  
Year-to-Date**

**A. PRISON OPERATIONS**

**1. New Prison Bed Openings/Closings**

The Senate and House agreed with the Executive recommendation to include \$10,917,700 of full-year cost adjustments for beds opened in FY 2001-02 at Bellamy Creek and Crane Correctional Facilities and Camp Brighton. The budget also added \$10,152,100 for additional beds by reopening Jackson Maximum and Michigan Reformatory and by double-bunking Riverside Correctional Facility and Camp Lehman. A decrease of \$1,924,300 was made by postponing the opening of new drop-in units at Macomb and Saginaw Correctional Facilities and carrying forward the funds from FY 2001-02 to FY 2002-03. The budget also reflects \$15,091,800 in annualized savings from facility closings and staff reductions in Executive Order 2001-9.

Gross	4,053,700
Restricted	(169,500)
GF/GP	4,223,200

**2. Other Operational Adjustments**

The enacted budget recognizes increased Federal revenues for housing Federal inmates in State prisons (\$58,600) and Social Security Administration reimbursements for tracking prisoners' Social Security numbers (\$100,000). The budget uses \$1,694,300 GF/GP to replace decreasing Federal revenues from the State Criminal Alien Assistance Program. The budget also increases Federal Violent Offender Incarceration/Truth In Sentencing (VOITIS) funds for contract adjustments of \$83,300 for the Michigan Youth Correctional Facility (MYC) as well as a funding shift of \$196,100 from VOITIS funds to GF/GP for MYC administrative costs. Also added were a third-year pay step funding increase of \$1,987,800 at Pugsley Correctional Facility and a \$2,703,100 decrease to correct the Jackson Food Production Kitchen intradepartmental transfer.

Gross	(473,400)
IDT	(2,703,100)
Federal	(1,648,500)
GF/GP	3,878,200

**B. HEALTH CARE**

The enacted budget includes an increase for prisoner health care costs. Most of these costs are due to pharmaceutical cost increases (\$3,960,400) and estimated increases in the managed care contract (3,299,700), which will be up for renewal in April 2003. The budget also includes \$139,200 for full-year managed care costs for an additional unit opened at Thumb Correctional Facility in 2001 and a negative \$100 adjustment to the Vaccination Program.

Gross	7,399,200
GF/GP	7,399,200

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**C. FIELD OPERATIONS**

The budget removes one-time costs of moving the Detroit Field Operations office (\$418,500) and recognizes increased collections of State and local tether revenue (\$90,000).

Gross	(328,500)
Local	40,000
Restricted	50,000
GF/GP	(418,500)

**D. COMMUNITY JAIL REIMBURSEMENT PROGRAM (CJRP)**

The Senate and House concurred with the Governor's recommendation to revise the CJRP reimbursement per diem to a standard rate of \$42 per day for all counties for up to one year. Previously, counties with populations less than 100,000 received \$40 per day for the first 90 days and larger counties received \$45, while all counties received \$42 per day after 90 days for up to one year. This revision did not require a change in appropriation.

Gross	0
Restricted	0
GF/GP	0

**E. EARLY RETIREMENT SAVINGS**

The enacted budget includes \$7,591,800 in savings from replacing only 1:4 of the employees who opted to participate in the early retirement program. The Department of Corrections may replace direct facility staff 1:1 and parole and probation staff 1:2.

Gross	(7,591,800)
GF/GP	(7,591,800)

**F. FEE INCREASES**

The budget reflects the full-year effect (\$343,800) of increased parole/probation oversight fees first changed in Executive Order 2001-9 and made permanent in Public Acts 483 and 502 of 2002. It replaces \$175,000 GF/GP and adds \$168,800 to parole and probation services. The enacted budget also recognizes the \$1,500,000 full-year effect of the County Jail Reimbursement Fund fee implemented by Public Act 213 of 2001 as a shift from GF/GP to State Restricted funds.

Gross	168,800
Restricted	1,843,800
GF/GP	(1,675,000)

**G. UNCLASSIFIED SALARIES**

Unclassified salaries received an increase of \$26,300 as well as a reduction of \$29,400 as part of the staff reductions needed to pay for employee economics for an overall reduction of \$3,100.

Gross	(3,100)
GF/GP	(3,100)

**FY 2002-03  
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**H. ECONOMIC ADJUSTMENTS**

Standard economic adjustments are applied for salaries and wages, total retirement, workers' compensation, fuel and utilities, food, rent, and building occupancy charges consistent with factors applied to all budgets. These adjustments include:

Gross	17,524,000
IDG	8,300
IDT	47,600
Federal	19,500
Local	1,500
Restricted	319,600
GF/GP	17,127,500

Item	Gross	GF/GP
Salaries and Wages	\$17,850,000	\$17,357,200
Lump Sum Salary Reduction	(7,217,100)	(7,049,500)
Retirement	2,331,800	2,260,500
Workers' Compensation	1,365,600	1,365,600
Fuel and Utilities	1,102,200	1,102,200
Food	1,592,100	1,592,100
Building Occupancy and Rent	499,400	499,400
Total	\$17,524,000	\$17,127,500

**I. OTHER ISSUES**

The enacted budget also includes a \$363,900 decrease to reflect the end of 1997 early retirement payouts and a decrease of \$1,768,800 in staff reductions needed to pay for employee economics. The FY 2002-03 budget does not recognize \$583,400 in Federal and State restricted contingency fund transfers passed by the Legislature in April 2002.

Gross	(2,439,100)
Federal	(458,400)
Restricted	(131,100)
GF/GP	(2,126,600)